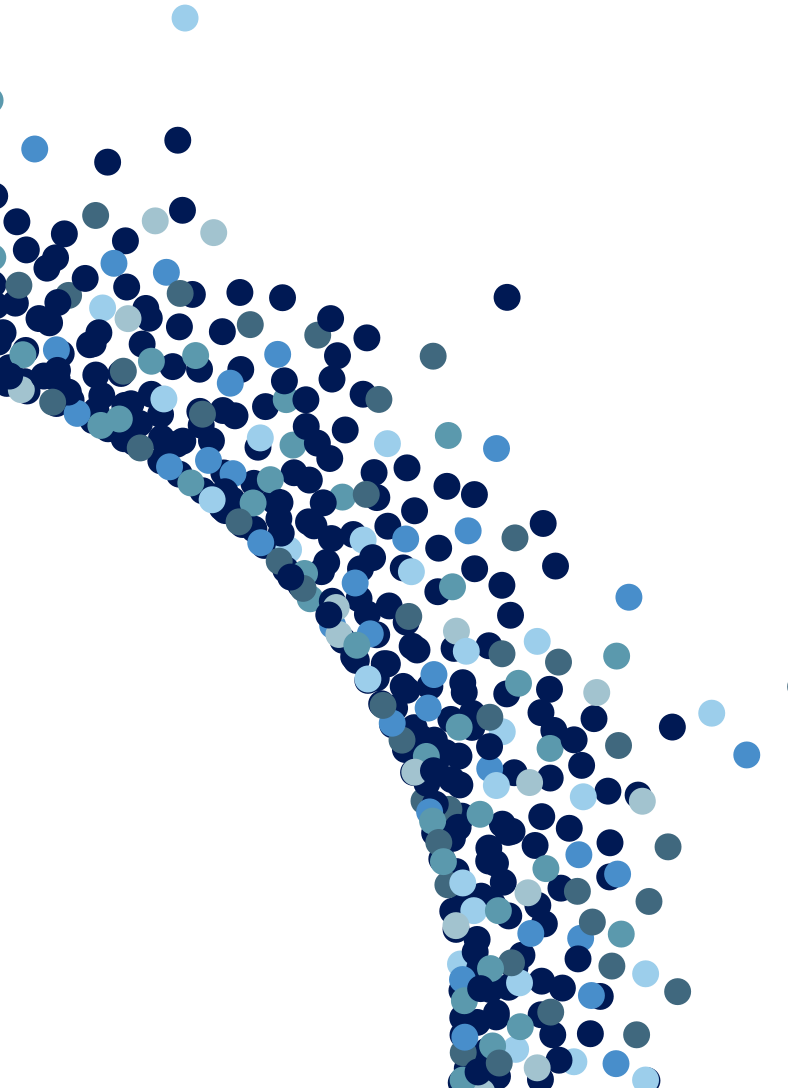
THE MIGRATION OBSERVATORY
AT THE UNIVERSITY OF OXFORD

REPORT

Britain's '70 Million' Debate:

A Primer on Reducing Immigration to Manage Population Size



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Executive Summary

The impact of immigration on population growth has become one of the most prevalent themes in political and media debates on UK immigration policy. On 6 September 2012, the UK parliament is set to debate whether the UK population should be limited to 70 million through curbs to immigration, after MigrationWatch UK – a pressure group which campaigns for reduced immigration – secured more than 100,000 signatures on an e-petition.

The Migration Observatory has prepared this report to address key questions surrounding migration and population growth in the UK. The report is designed to inform policy makers, journalists, civil society groups and other interested parties ahead of the parliamentary debate.

The MigrationWatch e-petition called on the government to "take all necessary steps to get immigration down to a level that will stabilise our population as close to the present level as possible and, certainly, well below 70 million."

Population projections are calculations based on a set of assumptions about many factors. The basic constituents of population growth are fertility, mortality and net migration, and their interaction. This report looks at what we do and do not know about the impacts of migration on population growth, the effects of recent migration policy changes on net migration, public opinion toward reducing migration, and implications for debates about lowering net migration to reduce population growth.

The report shows that, all other things being equal, the reductions to net migration required to keep the UK population under 70 million are far greater than those needed to hit the government's target of reducing net migration to the 'tens of thousands' by 2015. Consequently, a population limit of 70 million would imply major additional policy changes. Further, a key conclusion of this report is that the debate needs to move on from stating an objective (to keep the population under 70 million) to a more explicit, evidence based and transparent discussion of why this is a desirable objective and how it could be achieved in practice. The 'why' question needs to involve a discussion of the precise objectives of the policy, the impacts of migration and population growth on these objectives, and the wide ranging trade-offs necessarily involved. The 'how' question requires explicit analysis and debate about how precisely the further reductions in net migration could be delivered in practice.

Specifically the report highlights:

Migration and population growth

- Population projections are not forecasts, i.e. they do not attempt to predict the impact of changes in the political, economic, social and cultural realm which may affect demographic patterns and trends. The uncertainty about projections increases as the period under considerations expands.
- Immigration and emigration contribute to population change not only by altering the number of individuals in the country at a given time (direct contribution) but also by affecting natural change i.e. births and deaths (indirect contribution).
- Based on the principal projection by the ONS, assuming net migration of 200,000 from mid 2016 onwards, the UK population is projected to grow by 11 million between 2010 and 2035, from 62.3 million to 73.2 million - an increase of 18%. Migration accounts for about two thirds of this projected population growth: the cumulative net inflow of post-2010 migrants accounts for 47% of total population growth (direct effect); a further 21% of projected population growth is attributable to the additional contribution of new migrants to natural change (indirect effect).
- In this demographic scenario (based on ONS's principal projection), the UK population will hit 70 million in 2027.

- Even in the absence of positive net migration, the population is projected to grow significantly in the future. Assuming net migration of zero at every age, the UK population is projected to reach 66 million by 2035 an increase of 6% from the 2010 level.
- Assuming net migration of 100,000 (i.e. the government's target for net migration), the projected population in 2035 is just under 70 million but likely to exceed 70 million in the subsequent years. According to these projections, to prevent the population from exceeding 70 million in the long run, net migration would have to be cut to a level significantly lower than 100,000.

Net migration and immigration

- Overall net migration – the difference between immigration and emigration – increased from less than 100,000 in the mid 1990s to a preliminary estimate of 216,000 (+/- 35,000) in 2011. Net migration of non-EU nationals constituted an estimated 95% of total net migration to the UK in 2011 (205,000).
- Total immigration increased from about 300,000 in the early and mid 1990s to over 500,000 in the mid and late 2000s. Since 2004, immigration flows of EU (including British) and non-EU nationals have remained relatively flat at just under 600,000. Over the past few years, about half of all immigration has been inflows of non-EU nationals.
- Among non-EU immigrants (which the government can do more to control), students constitute by far the largest group (60% of all non-EU immigration in recent years). The rapid increase in non-EU student immigration accounts for almost all of the increase in immigration of non-EU nationals over the past twenty years.
- Labour immigration and family immigration both increased between the mid 1990s and mid 2000s, but have since been stable (family) or on a declining trajectory (labour). The magnitudes of immigration for work and family purposes in 2011 were close to those prevailing in the late 1990s.
- Any change in immigration will have different impacts on net migration in the short-term and longer-term. This is because some immigration is temporary. Consequently, a reduction in immigration today will eventually lead to a reduction in emigration in the subsequent years. Conversely, any increase in immigration today will lead to an increase in emigration a few years later.
- As a consequence, any short-term reductions in net migration due to lower immigration will be partially reversed in the longer term. Conversely, any short-term increase in net migration due to rising immigration will be partially reduced in the longer term (the 'net migration bounce' effect).

Migration of non-EU nationals: effects of recent policy changes on net migration

- Students represent the majority of non-EU migrants to the UK, and also the fastest growing group over the past few years. In its efforts to reduce annual net migration to the 'tens of thousands' (i.e. less than 100,000) the government has made efforts to reduce non-EU student immigration over the past two years with policy changes including closure of the post study work route, reductions in working hours allowed for many student migrants, changes to accreditation criteria for sponsors and stricter English language requirements – government estimates these changes will cut net migration by 56,000 by 2015 (compared to estimated net migration without these policy changes).
- The available evidence suggests that students are less likely to settle in the UK than labour migrants and family migrants. This means that the net migration bounce effect is particularly pronounced for students, i.e. cuts to student immigration can be expected to have a smaller impact on long-term net migration than similar cuts to other groups such as family or labour migrants.
- Efforts to reduce non-EU labour immigration through a cap on tiers 1 and 2 are projected by the government to cut net migration by 11,000 by 2015. The cap is currently significantly under-subscribed and may, at least in the short term, deliver a bigger cut in net migration than the projections suggest.
- Efforts to reduce family migration look likely to cut net migration by less than 10,200 per year, but are less likely to be affected by the net migration bounce than cuts to the student or labour migration routes.

- Asylum applications in 2011 close to their lowest level in more than two decades (19,804), and were lower than the per-capita EU average. The UK limits asylum seekers' access to the labour market and benefits to a degree that would make further economic measures to deter false claims difficult.
- Current policy designed to encourage the emigration of non-EU nationals by reducing opportunities for settlement to those earning £35,000 or more are projected by the government to reduce net migration by between 0-4,000 per year from 2017 onwards, which will have a limited impact on reducing population growth.
- Overall, the recent restrictions on non-EU migration are, based on the government's own impact assessments, expected to deliver only about half of the reduction required to reach the government target of the 'tens of thousands', and considerably further from a figure that would stabilise the UK population below 70 million.

British and other EU migration

- In 2011 net migration of EU (incl. British) nationals between the UK and the rest of the world accounted for 5% of overall net migration in the UK.
- Restrictions to non-EU labour immigration may end up stimulating more demand for EU migrants, undermining efforts to reduce overall net migration.
- The right to free movement within the EU introduces a fundamental uncertainty about the size of the UK population in the future.
- While the government cannot limit EU immigration through immigration controls, there are a number of policy changes that could be made aimed at reducing the demand for EU (and other) migrant workers, especially in lower skilled occupations. These policy changes include, for example, more and better training of British workers (e.g. in sectors like construction where the lack of a comprehensive training system fuels the demand for experienced East European migrant labour), changes in welfare policies to encourage more British workers to join the workforce (something the government has already begun to do), and better wages and conditions in some low waged public sector jobs.

Public Opinion

- Public opinion is supportive of cuts to immigration, and of slowing population growth by reducing immigration levels.
- Only about a third of people in Britain say that they want to reduce immigration of students – the largest group of non-EU migrants.
- The majority of people in Britain would like to see cuts to the numbers of asylum seekers and extended family members, both of which are numerically small groups, and low skilled workers – who are from the EU and thus cannot be limited through immigration policy.
- This suggests that delivering policy that succeeds in both addressing the precise nature of public concerns and substantially reducing net-migration may be more challenging than it might appear.

Implications for debates about stabilising the UK population at or under 70 million

- The reductions to net migration required to stabilise the population at 70 million far exceed the reductions necessary to reach the government's 'tens of thousands' target.
- On their own, recent migration policy changes are not expected to keep the population under 70 million. The government's own impact assessments suggest that current policies to reduce net migration can be expected to only get about half-way to the government's net migration target by 2015 ('tens of thousands') and will not prevent the UK population from reaching 70 million.
- Given the further radical policy changes required, the 70 million debate needs to ask how exactly the required cuts can be achieved in practice. To be realistic, the debate needs to consider not only the top-line objective but

also the feasibility and desirability of the available 'means' to further reduce net migration. Public opinion data create a dilemma for the government: while there is broad support for reducing immigration overall, there is no majority support for reducing the category that contributes most to rising net migration: students.

- Any population limit needs to be clear about its underlying objectives and evidence. Any identification of a particular limit is necessarily value-based because it has to be based on a weighing up of different types of impacts and interests at national regional and local level, and at different points in time. A UK population policy that is focussed, for example, on maximising economic growth may look very different from one focussed on minimising adverse impacts on the environment. So it is important for the debate to explicitly ask what the objectives of any population limit should be and why.
- Any limit needs to be supported by evidence of the impacts of population change and of the advantages of one particular limit over others. Why is it preferable to limit the UK population at 70 million rather than at 65 or 75, for example? This is not an argument for not having a limit, but a call to be clear about the evidence and analysis that lead to this particular number over any alternative.
- Limiting population will bring with it numerous trade-offs that need to be properly researched and openly debated. A clear danger in the way the 70 million debate has been framed so far is that it reduces a complex series of issues that affect almost every area of social and economic policy in the UK to a an arbitrary round number. While calls for a population limit at 70 million clearly appeal to voters' concerns and deserve to be openly debated, they run the risk of ignoring the profound challenges of delivering such a policy and the substantial trade-offs that it would bring. Any type and level of population limit needs to be debated in terms of the feasibility and range of trade-offs involved.

1 Introduction

The impact of immigration on population growth has become one of the most prevalent themes in political and media debates on UK immigration policy. According to the Office for National Statistics (ONS), the UK population is projected to increase by 11 million between 2010 and 2035 – from 62.3 million to 73.2 million, an increase of 18% (principal projection). Migration accounts for about two-thirds of this projected population growth.

On 6th September 2012, the UK parliament will debate whether efforts should be made to control immigration with the specific aim of preventing the UK population from ever exceeding 70 million. This debate follows more than 100,000 people signing an e-petition submitted by Migration Watch – a pressure group campaigning for reduced immigration – with support from several major newspapers.

The e-petition called for the government to "...take all necessary steps to get immigration down to a level that will stabilise our population as close to the present level as possible and, certainly, well below 70 million."

The aim of this report is to inform participants in this debate by discussing:

- What we do and don't know about the impact of migration on population growth (section 2)
- The composition of overall immigration and net migration, and the effects of reducing different types of non-EU migrants (workers, students, family members and asylum seekers) on net migration and thus population growth (section 3)
- The policy changes that have been made over the past two years to different migration streams, and what we know about the likely effects on net migration (section 4)
- The role of British and EU migration on net migration and population growth (section 5)
- British public opinion about migration, and how it relates to government efforts to reduce migration (section 6)
- The implications of these issues for debates about stabilising the UK population at or under 70 million (concluding section 7).

In discussing these issues the report draws on – and links to – a large number of briefings, policy primers and commentaries produced by the Migration Observatory over the last 18 months, which examine specific migration questions and issues in detail. As such, this report provides a useful review for parliamentarians, journalists, researchers, civil society organisations and other interested parties to consider some of the key issues in the UK's debate on immigration policy. The report is meant to help clarify key facts and issues in the debate on immigration and population growth in the UK. It does not take a view on the desirability of specific policy changes or goals.

2 Migration and population growth

The Office for National Statistics (ONS) produces projections of the future size of the UK population. Population projections are calculations based on a set of assumptions about many factors including the three constituents of population growth: fertility, mortality and net migration, and their interaction.

Official UK projections are revised every two years by updating base-year population estimates and assumptions underlying future demographic dynamics, to reflect the latest available information. For example, the 2008-based projections assumed a long-term international net migration of +180,000, but this value (i.e. assumption) was changed for the 2010-based projections to +200,000.

The latest projections – published before the first 2011 Census figures were released – take mid-2010 as the base year of the projection period (ONS 2011). The projection outputs consist of one principal projection, and a number of variant projections – these are intended to capture the uncertainty underlying the assumptions made, by showing

the impact on population dynamics if one or more components of demographic change differ from the principal projection. The ONS has provided 2010-based population projections with 11 different assumptions of long-term net migration (0, +10, +20, +40, +50, +60, +80, +100, +140, +200 and +260).

It is important to emphasise that population projections are not forecasts, i.e. they do not attempt to predict the impact of changes in the political, economic, social and cultural realm which may affect demographic patterns and trends. They are in general purely mechanical calculations, formalising the implications of assumptions. Projections assume that a wide range of relevant factors remain constant or continue to change at current rates. For instance, some of the net migration assumptions are based on historical demographic trends. These assumptions do not attempt to predict the impact that current or future government policies or changing economic conditions might have on migration flows.

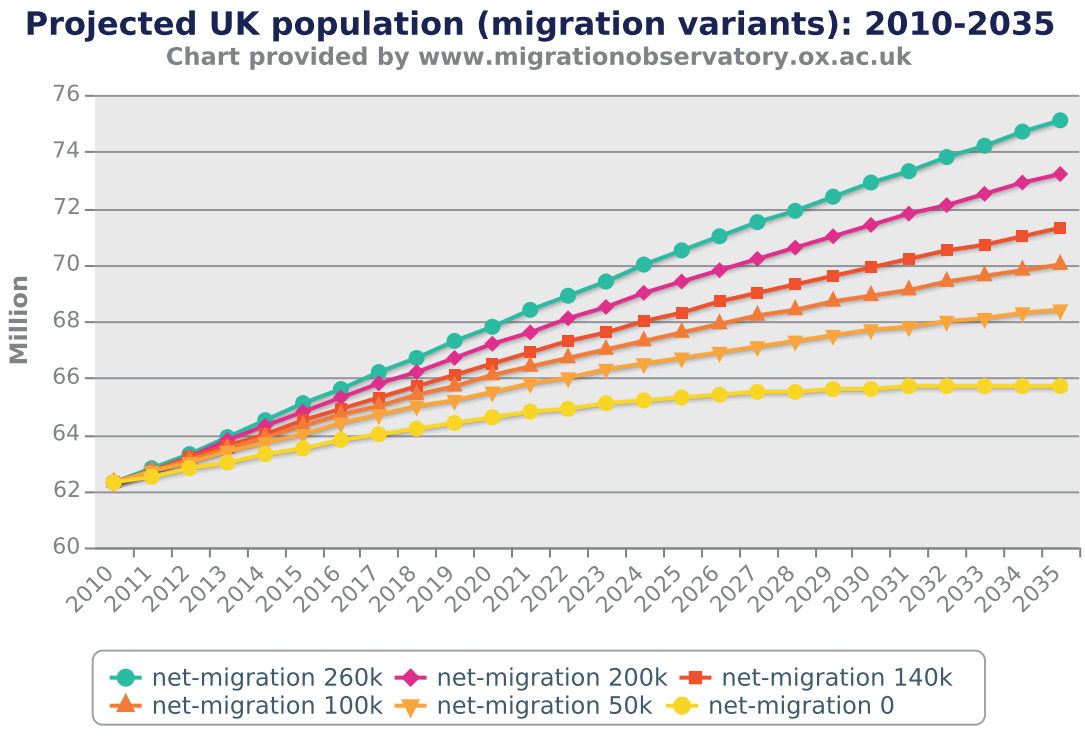
Population projections often depart from population estimates (as well as actually realised population numbers) even in the short-term. For instance, the 2008-based projection of UK population for the year 2010 was 62,222,000 but the estimated value in mid-2010, which is also subject to considerable uncertainty, was 62,262,000 - a difference of 40,000. The uncertainty about the projections increases as the period under consideration expands.

2.1 Population projections

The analysis below focuses on the Office for National Statistics' (ONS) projections to the year 2035 (25 year projection with a base year of 2010). While the ONS has published population projections for up to 100 years into the future, there are major uncertainties related to those long-term projections.

Figure 1 shows the projected size of the UK population in the period to 2035, including a range of different scenarios that differ in their assumptions about future net migration. The government's target for net migration is less than 100,000 by 2015.

Figure 1



Source : ONS, 2010-based population projections

Figure 1 shows that even in the absence of positive net migration, the population is projected to grow significantly in the future. Assuming net migration of zero at every age, the UK population is projected to reach close to 66 million by 2035 – an increase of 6% from the 2010 level.

In the ONS' principal projection (which assumes net migration of 200,000 from mid-2016 onwards), the size of the UK population is projected to increase by 11 million between 2010 and 2035 – from 62.3 million to 73.2 million, an increase of 18%. In this demographic scenario, the UK population will hit 70 million in 2027. Assuming net migration of 260,000 from mid-2016 onwards (the ONS's high variant), the population is projected to reach 70 million by 2025, and assuming net migration of 140,000 from mid-2016 onwards (the ONS' official low variant) the population will reach 70 million by 2031.

Of particular interest is the result with a net migration assumption of 100,000, i.e. just over the government's net migration target of 'the tens of thousands'. Under that scenario the projected population in 2035 is just under 70 million (69,995,000) but, all other things being equal, likely to exceed 70 million in the subsequent years. According to these projections, to prevent the population from exceeding 70 million in the long run, net migration would have to be cut to a level significantly lower than 100,000.

There are important regional differences in these population projections. The ONS provides separate projections for England, Wales, Scotland and Northern Ireland. Almost of all the projected increase in the UK population to 2035 will take place in England.

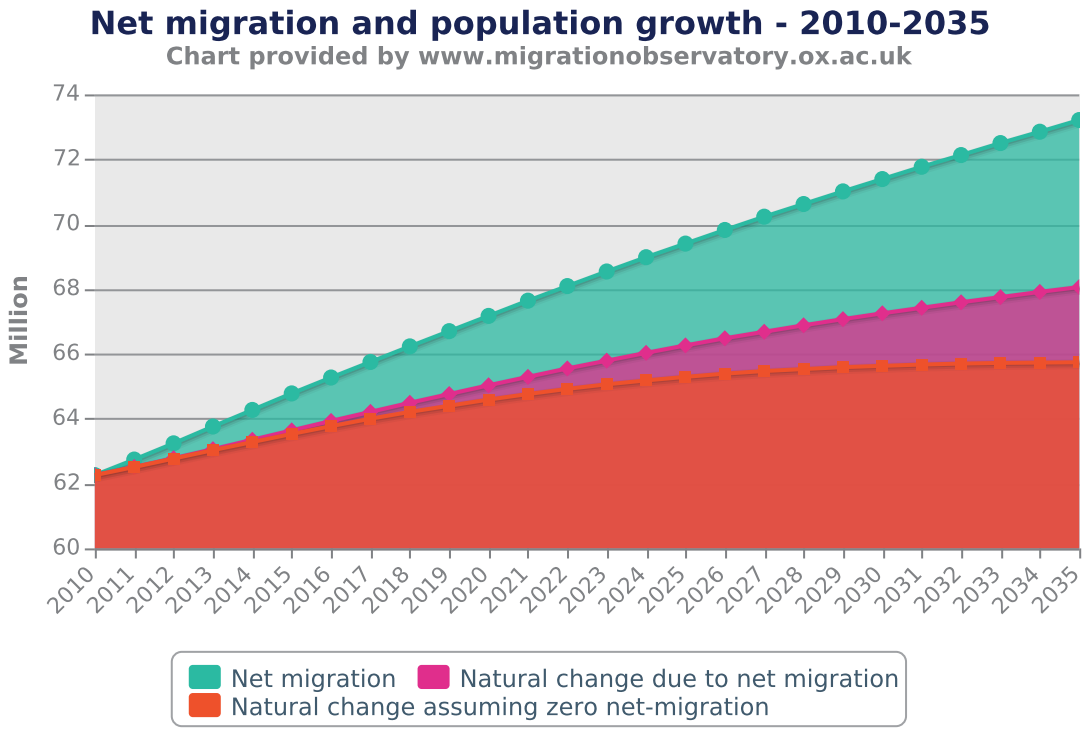
2.2 Net migration and natural change

Immigration and emigration contribute to population change not only by altering the number of individuals in the country at a given time (direct contribution) but also by affecting rates of births and deaths, or natural change (indirect contribution).

Figure 2, which refers to the 2010-based principal projection, shows the breakdown of the projected population increase into three components: the natural change that would occur in the absence of migration during the projection period (zero net migration variant); the direct contribution of post-2010 net migration to population change (i.e. the number of individuals who will migrate to the UK minus the number of those who will leave the country); and the indirect contribution of net migration to natural change.

In the principal projection the cumulative net inflow of post-2010 migrants accounts for 47% of total population growth. A further 21% of projected population growth is attributable to the additional contribution of new migrants to natural change (i.e. births and deaths).

Figure 2



Source : ONS 2010-based principal population projection

Migration affects not only the size of the population but also its composition. A key question widely debated in policy circles, particularly at the international level, is whether migration is a possible solution to the economic and social challenges associated with population ageing and decline – i.e. the sustainability of pension systems, the provision of long-term care for older people, labour and skill shortages, higher labour cost, a decrease of the relative influence in the global economy. Although the UK population is projected to age more slowly than most other European countries over the next decades (Matheson 2010), the continuation of positive net migration flows at about the current levels would only partly slow down population ageing. The contribution of net migration in mitigating demographic ageing decreases if projections are carried forward beyond 2050 because larger numbers of immigrants are found among the older population (for a more detailed discussion of immigration and ageing, see our policy primer on Demographic Objectives in Policy-Making).

Implications for stabilising the UK population at or under 70 million: In order to stabilise the population below 70 million cuts to net migration would be needed that go significantly further than current government plans. It is difficult to estimate precisely how deep these cuts would need to be, as they would need to anticipate population changes (i.e. fertility and mortality) for more than 20 years. At this point the ONS has not estimated the required reduction in net migration for the population to remain below 70 million in the long-term. However MigrationWatch, which is driving forward the call for a government population strategy, argues that net migration to the UK would have to remain at around 40,000 for this stable population level to be possible.

3 Net migration and immigration: An overview

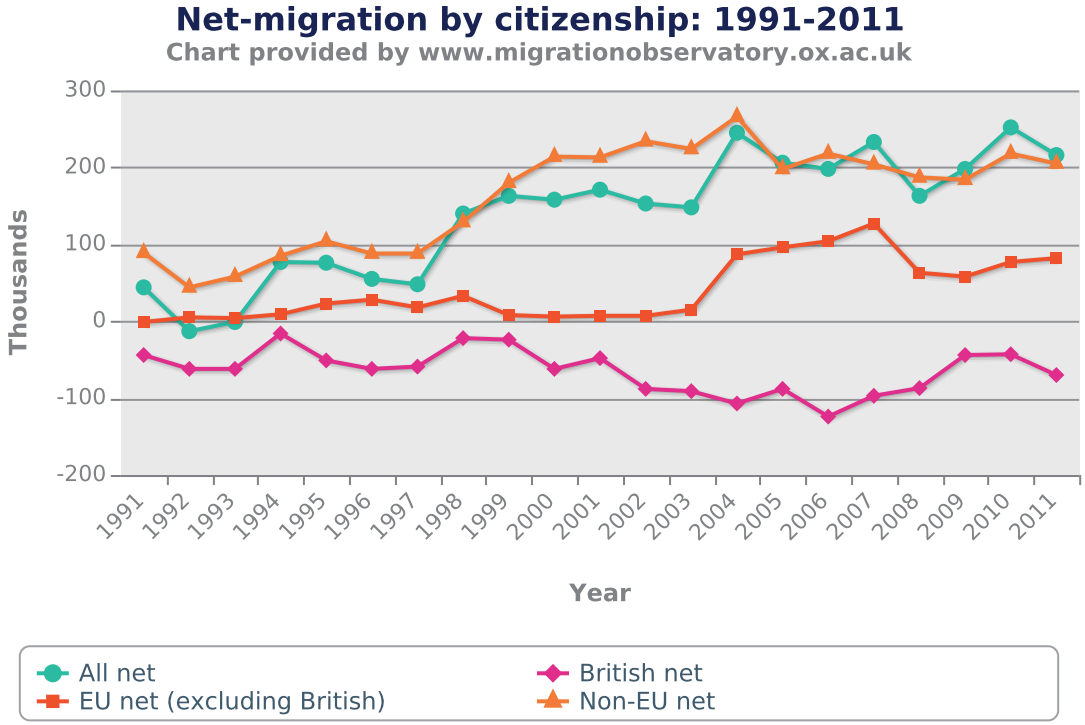
3.1 Net migration

Net migration is the difference between immigration (i.e. people moving to the UK for more than one year) and emigration (i.e. people leaving the UK for more than one year). Overall net migration increased from less than 100,000 in the mid-1990s to a preliminary estimate of 216,000 in 2011.

However, for the last eight years the negative net migration of British citizens (i.e. more British citizens leaving than coming to the UK) has roughly offset the positive net migration of other (i.e. non-British) EU citizens. As shown in Figure 3 below, in most years since the mid-2000s, the magnitude of positive net migration of non-British EU nationals has been very similar to the magnitude of negative net migration of British nationals.

During 2004-2011, total net migration of EU citizens (i.e. combining net migration of British and other EU nationals) was 34,000 (i.e. the difference between –660,000 British net migration and +694,000 other EU net migration). This can be seen in Figure 3 below. Overall, net migration of non-EU nationals constituted 95% of total net migration to the UK in 2011 (205,000).

Figure 3



Notes: Source is ONS, Long-Term International Migration estimates. December 2011 value still provisional.

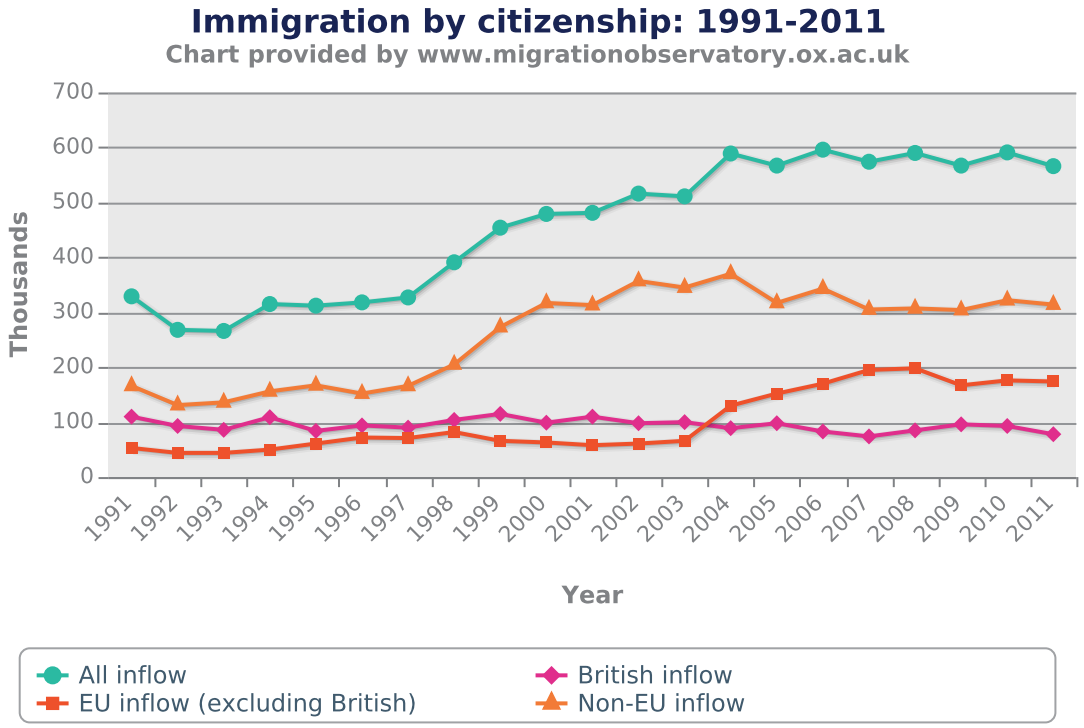
There is considerable uncertainty related to the measures of immigration to and emigration from the UK. This creates considerable uncertainty about the net migration estimates upon which government policy is currently focused. The International Passenger Survey (IPS) is the main data source for the ONS estimates of Long-Term International Migration (LTIM). The survey is large but the international migration estimates are extrapolated from a few thousand interviews, and are associated with a substantial margin of error. For example, while the ONS preliminary estimate of net migration for 2011 is 216,000, the reported error associated with this estimate was +/- 35,000, making it possible to create a 95% confidence interval around a range of estimates between 181,000 to 251,000. That means, roughly, that there is a 95% probability that net migration for 2011 was somewhere in that range.

3.2 Immigration

The data from the IPS is combined with information from various other sources to provide LTIM estimates. As shown in Figure 4, according to LTIM estimates, total immigration increased from about 300,000 in the early and mid-1990s to over 500,000 in the mid and late 2000s. While the increase in overall immigration in the late 1990s

and early 2000s was caused by a rise in non-EU immigration (with immigration of British and other EU nationals remaining flat during that period), the rise in the mid-2000s was caused by a sharp increase in immigration of EU nationals. Since 2004, immigration flows of EU (including British) and non-EU nationals have remained relatively flat at just under 600,000. Over the past few years, about half of all immigration has been inflows of non-EU nationals.

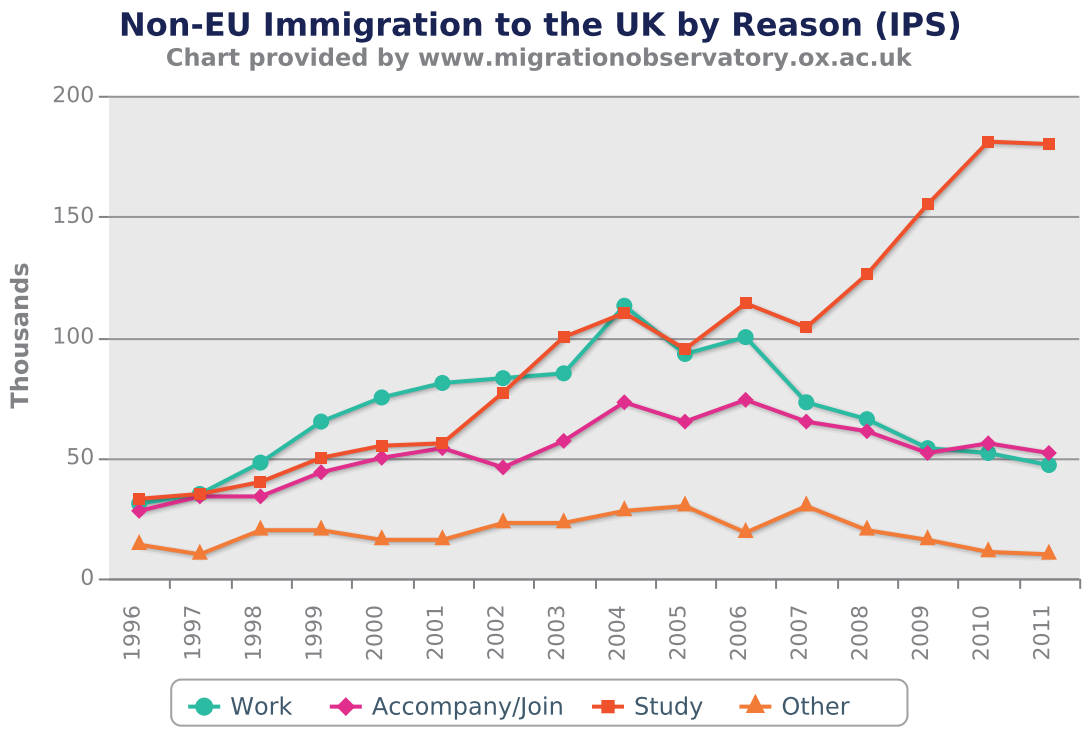
Figure 4



Notes: Source is ONS, Long-Term International Migration estimates. December 2011 value still provisional.

Immigration from outside the EU – over which the government has more control – can be broken down into four main channels: work, family, study and asylum. Figure 5 below, which uses data from the International Passenger Survey, shows that students constitute by far the largest group among all non-EU immigrants coming to the UK (60% in recent years). The rapid increase in non-EU student migration (up from 50,000 in the mid-1990s to about 180,000 in 2011) also accounts for almost all of the increase in immigration of non-EU nationals over the past twenty years. Labour immigration and family immigration both increased between the mid-1990s and mid-2000s, but have since been stable (family) or on a declining trajectory (labour). The magnitudes of immigration for work and family purposes in 2011 were very close to those prevailing in the late 1990s.

Figure 5



Source : IPS/ONS.

3.3 The net migration bounce

Not all migration is permanent, and a proportion of the migrants coming to the UK in a given year will leave again after a few years. Consequently, a reduction in immigration today will eventually lead to a reduction in emigration in the subsequent years, while an increase in immigration today will subsequently lead to an increase in emigration. We call this the 'net migration bounce effect'.

For example, as shown in Figure 5 above, the immigration of students from outside the EU increased significantly since 2008. The rising number of students coming to the UK implies that in the longer term, as this new larger set of international students come to the end of their studies, many will return to their countries of origin or move elsewhere, and therefore contribute to a rising number of people leaving the UK.

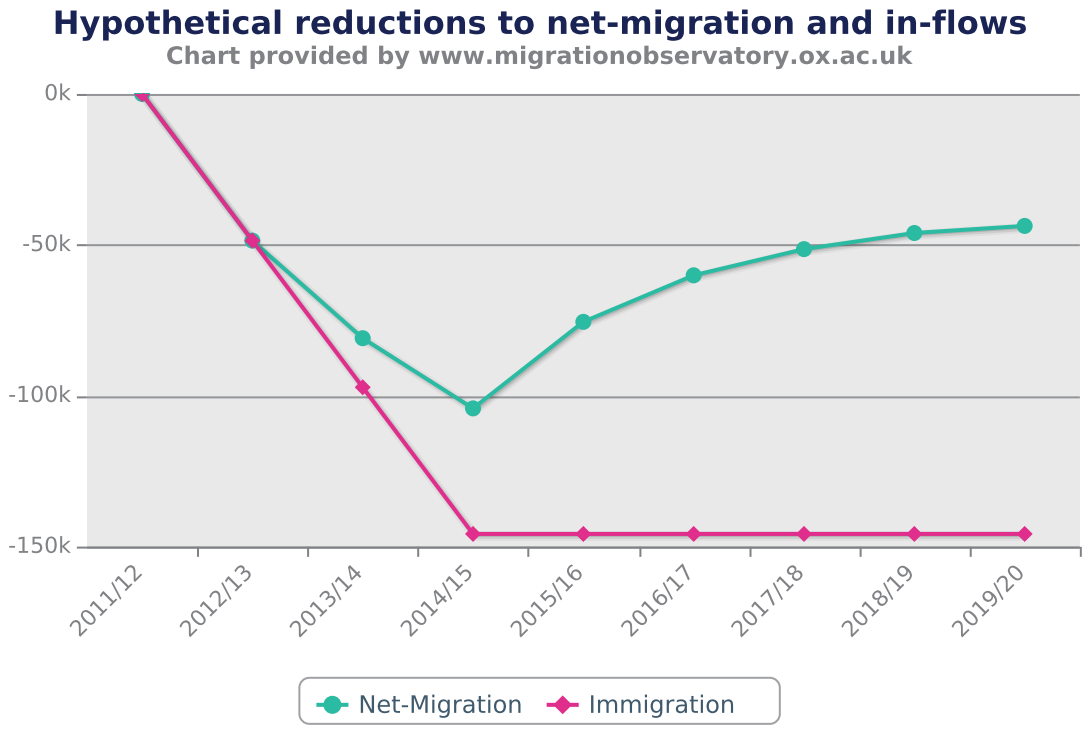
So it is very likely that the emigration of students – which has not been directly measured, due to limitations of past IPS questionnaires - has been rising and can be expected to continue to increase in the coming years, which will help reduce net migration. This means that, in the hypothetical scenario of no change in immigration of students next year, net migration of students would start to decline.

Conversely, any decrease in immigration will lower net migration in the short term, but this reduction will be partially reversed in the longer-term due to lower emigration (i.e. fewer people leaving). Figure 6 below illustrates the difference between the short-term and longer-term effects of cutting immigration on net migration. By short-term effect we mean the effect of reducing immigration on net migration, without considering changes to emigration. By long-term effect we mean the combined effect of the initial reduction in inflows (which will reduce net migration) and the subsequent reduction in outflows (which will increase net migration). In our example, the long-term emigration effect begins in the year after the reductions in immigration are made, but increases with passing years.

Figure 6 models the short-term and long-term effects of a hypothetical reduction of immigration of just under

150,000 over three years (for a more detailed discussion of the methodology, see our commentary on the Net migration Bounce. It shows that, in this scenario, the long-term reduction in net migration (i.e. taking account of lower emigration) will be less than half of the initial reduction achieved because of lower inflows.

Figure 6



Migration Observatory modelling based on MAC Limits report 2012 & Home Office Migrant Journey report 2010

Students, while by far the largest group, are proportionally unlikely to settle permanently – the Home Office study The Migrant Journey showed that 21% of students who arrived in 2004 still had leave to remain in 2009. This is an imperfect measure, since it is based on only a single cohort, and also because some unknown proportion may have overstayed their visas and remained in Britain without legal leave to remain, but it is the best means available to estimate the rate at which particular types of migrants stay in Britain for at least five years.

The impact of reducing the number of family migrants coming to the UK – while smaller in the short term – is proportionally greater in the long term than cutting the number of students. This is because family migrants are considerably more likely to settle (63 per cent of those who came in 2004 were still in the UK in 2009).

The impact on net migration of reducing labour migration is highly dependent on whether reductions are to Tier 5 (only 11% of whom are estimated to remain after 5 years) or to Tiers 1 and 2 (40% of whom are estimated to remain after 5 years.) But the majority of labour migrants do tend to leave rather than stay permanently, meaning that cuts to labour immigration will also push down emigration in the long term.

Implications for stabilising the UK population at or under 70 million: for the government to reduce net migration to a level that would stabilise the UK population below 70 million, cuts would need to be made to immigration of non-EU citizens that take into consideration the net migration bounce: the future decline of emigration resulting from present cuts in immigration. This means that deeper reductions of the immigration of more transient groups (such as students) are needed to deliver long-term results that equal those of reducing the inflows of less transient groups (such as family).

4 Migration of non-EU nationals: effects of recent policy changes on net migration

Among all types of migration flows to and from the UK, the government has most control over the immigration and emigration of non-EU nationals. It is therefore important to understand the current state of government policy focussed on affecting levels of non-EU net migration. This section briefly reviews major policy changes affecting the immigration and emigration of non-EU nationals (students, workers, family/dependents and asylum seekers) since the coalition government came to power in May 2010. It discusses the likely effects of the policy changes on net migration and the feasibility of further restrictions.

4.1 Non-EU Student Immigration

As shown in Figure 5 above, students make up by far the largest and fastest growing group among non-EU migrants. The government has, over the past two years, made a set of changes to student migration policy, with the explicit aims of both reducing abuse of the student route and at the same time reducing net migration. Major changes include additional accreditation requirements for educational institutions that wish to sponsor international students (April 2011), and the conversion of the Tier 1 Post-Study Work visa to a form of Tier 2 visa requiring a job offer above a minimum salary level (with the exception of a maximum of 1,000 visas for selected graduate entrepreneurs) (April 2012). Students in further education colleges and language schools face new restrictions: they must meet a higher standard of English language skills before entry, they can work fewer hours (sometimes none) at paid jobs, they can no longer bring dependent family members to join them, and they must have more money in the bank as a maintenance requirement (July 2011).

These steps are likely to reduce student inflows but the size of the long-term impact on population is less clear. As discussed above, the best data available (from the Home Office's The Migrant Journey report) suggest that students are less likely to settle in the UK than other categories of migrants, meaning that the bounce effect is particularly severe for students.

On the other hand, The Migrant Journey data do not account for people who overstay their student visas and remain in the UK without legal leave to remain. The higher this number is, the more that estimates of the bounce effect using Migrant Journey research will underestimate the long-term impact on net migration of reducing student immigration. There are no firm data showing the number of overstayers—students or otherwise (National Audit Office 2012). The National Audit Office reported in March 2012 that 159,000 people could be subject to removal for overstaying or otherwise violating conditions of their stay. It is not known how many of these are students. An earlier estimate found 31,000 Tier 4 student cases potentially subject to removal (out of 181,000 cases overall arising between December 2008 and March 2011).

Implications for stabilising the UK population at or under 70 million: because students are the largest group within non-EU net migration, and non-EU net migration is the largest group within overall net migration to the UK, it is clear that they are a key group that would need to be reduced if the government wishes to keep the population under 70 million. The bounce effect may reduce the effectiveness of cutting international student numbers by also reducing emigration in the longer term – however, the bounce effect will naturally be exaggerated by official data depending on the extent that students overstay their visas.

4.2 Non-EU Labour Immigration

Non-EU labour immigration has also been the focus of considerable policy change since the coalition government came to power. Perhaps the most well-known new policy is the annual cap on skilled non-EU workers (Tiers 1 and 2 of the point-based system), which was initially set at 21,700 for the year April 2011-April 2012, and then frozen at that annual level until April 2014. The cap excludes intra-company transfers (ICTs) and migrants on very high

salaries. As of April 2011, the government also raised the minimum earnings threshold for ICTs wishing to come to the UK to work for more than 12 months.

Other policy changes already implemented include a higher minimum skills threshold, raised English language requirements, and a smaller shortage occupation list for all migrant workers entering under Tier 2 of the points based-system. In addition, the government closed the Tier 1 (general) work route, which allowed highly skilled migrants to enter the UK without a job offer, replacing it in August 2011 with the Exceptional Talent Route, which is limited to 1,000 per year.

The government's Impact Assessment of the changes to Tiers 1 and 2 (published in March 2011) concluded that they will result in a reduction in net migration of 11,000 in 2015 compared to what net migration would be without the policy changes. This estimated reduction includes a reduction of dependents of Tier 1 and Tier 2 migrants.

Although it is too early to assess the actual impacts of these policy changes, together with the economic downturn, collectively the new policies have contributed to reducing labour immigration from outside the EU. While the old Tier 1 general route admitted over 15,000 workers in 2010, Home Office data suggest that only 32 non-EU migrants entered under its replacement, the Exceptional Talent Scheme in the year to June 2012.

The cap on Tier 2 migration has also been undersubscribed: 9,887 Certificates of Sponsorship were issued to Tier 2 employers during the first full year of the cap (April 2011-March 2012), less than half of the available certificates for the year.

During the 12 months to June 2012, 8,927 visas were issued to non-EU migrants for entry under the Resident Labour Market Test (RLMT) route or the Shortage Occupation List (SOL) route within Tier 2. Intra-company transfers – the third major sub-route within Tier 2 – have remained relatively flat during the last few years (29,171 in 2010 and 29,677 in 2011, and 29,571 in the year to June 2012).

As Intra Company transfers constitute the largest share of labour immigration through Tier 2 and have so far escaped most of the restrictive policy measures imposed on the rest of Tier 2, they are a potential target of further policy changes within Tier 2. A key limitation of using reductions in ICTs to reduce net migration is that any reductions to the inflow of intra-company transfers would reduce net migration in the short run but not affect net migration in the long run. This is because the ICT route does not include a route to settlement, so all migrants on ICT visas have to eventually leave again, thus making no difference to net migration in the long run – essentially a net migration bounce of almost 100%. There is, of course, some effect on the population of having a stock of tens of thousands of ICTs living in the UK at all times, even if none of the individuals become permanent UK residents.

Another key challenge in using reductions in non-EU labour immigration to lower overall net migration is that the increased restrictions on non-EU labour immigration may encourage some employers to take on more migrants from other EU countries. In a recent survey by the Chartered Institute of Personnel Development 34% of employers said that they intend to respond to the government's new immigration policies by recruiting more EU workers. Any increase in net migration of other EU workers would work to reduce the impact of restrictions on non-EU workers on net migration.

While the new policy restrictions have contributed to reducing labour immigration (or at least to reducing the growth of labour immigration) flows from outside the EU, some of the reductions in non-EU labour immigration in recent years have undoubtedly been due to the economic downturn. As the economy recovers, demand for non-EU workers is likely to increase.

Implications for stabilising the UK population at or under 70 million: reducing intra-company transfers will have no impact on net migration in the long-run. Managing non-EU labour migration with a view to stabilising population at a specific level has the added complication of potentially stimulating demand for EU migrants. The relatively small of size non-EU labour migration – when compared to student migration – also means that even with deep cuts it could only play a limited role in helping stabilise the population below 70 million.

4.3 Non-EU family migration

Family migration to the UK is limited mainly to the nuclear family, meaning that most family migrants are spouses, fiancé(e)s and civil partners while a smaller number are children, and a very small proportion are other dependent relatives.

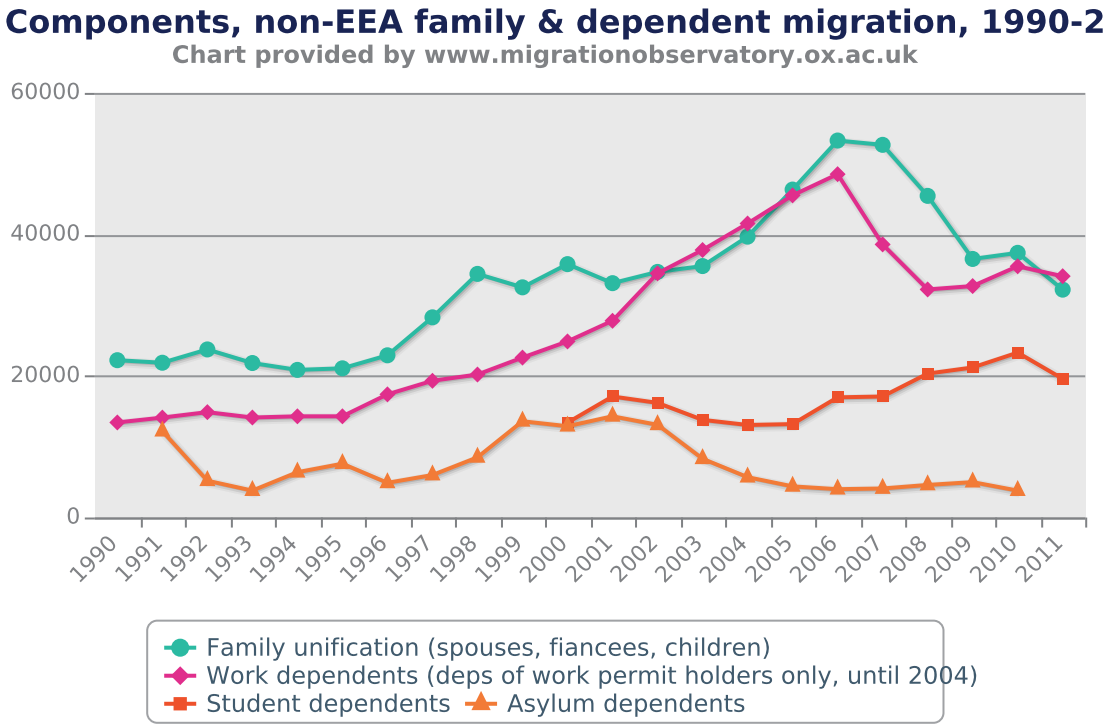
In November 2010, the government raised the minimum standard of English language proficiency required of non-EEA national wishing to join their spouse or partner in the UK. This requirement has been upheld in the High Court after a legal challenge.

The government announced further changes to the family migration route in June 2012, which raised the minimum income required for citizens or settled residents to sponsor immigrating spouses (or partners) and children (or other family members). The minimum income that a sponsor (either UK citizen or a migrant to the UK who has settled status) must now earn in order to bring in a single family member from outside the EU is £18,600 per year (up from a previous level of £5,500 in excess of housing costs) rising, on a sliding scale, for further family members. Most of these changes apply to new applicants from July 2012.

It is worth noting that changes to the family route affect only a proportion of arrivals who may be classified as immigrating for reasons of family. In Home Office data and in the language of policy-makers, the family route consists of individuals who enter the UK on a family visa, as, for example the spouse or child of a British national or settled migrant. Home Office data separately tracks dependents who gain entry to the UK as family members of people who are themselves migrants to the UK with limited leave to remain, and who may have come for work or study or to apply for asylum. In International Passenger Survey data—the source of official immigration and net migration estimates from ONS—family route migrants and dependents of other migrants are combined in a single family category.

Home Office data show that the family route has historically comprised less than half of the broader category including dependents. Figure 7 below shows passenger entries of family route migrants and dependents. In the figure below, the changes to family migration mentioned above only affect family unification of spouses, partners, fiancés and children, i.e. the green line. These changes do not affect dependents of temporary workers, students and asylum seekers.

Figure 7



Sources : Home Office, Immigration Statistics 2002, 2012; ONS LTIM Table 1.01

According to MAC estimates, raising the minimum income to £18,600 would render just under half of recent applicants ineligible for family route visas (MAC 2011).

Importantly, the higher income threshold means that large numbers of British citizens will no longer be able to bring in family/partners/dependents from outside the EU. Specifically, of British citizens in employment:

- 47% will not qualify to bring in a family member.
- 58% of people aged between 20 and 30 will not qualify to bring in a family member compared to 35-45% of people aged between 30 and 60.
- 61% of women and 32% of men will not qualify to bring in a family member.
- 48% of people in Scotland will not qualify to bring in a family member.
- 51% of people in Wales will not qualify to bring in a family member.
- 46% of English residents will not qualify to bring in a family member.
- 29% of Londoners will not qualify to bring in a family member.
- The areas of England with the lowest eligibility are Merseyside, where 56% of people will not be eligible, North West England (53%) and Yorkshire and Humberside (52%).

According to the government's Impact Assessment (published in June 2012), the recent changes to family migration rules will lead to a reduction in IPS immigration of around 7,500 to 10,200 per year, with a central estimate of 9,000. The Impact Assessment points out that "this estimate is uncertain and subject to wide error margins, and may depend on the behavioural responses of migrants and sponsors" (p.44).

It is also important to add that the estimate in the impact assessment relates to the estimated reduction in immigration. Because of the bounce effect, the long-term reduction in net migration will be less than 7,500 – 10,200 per year.

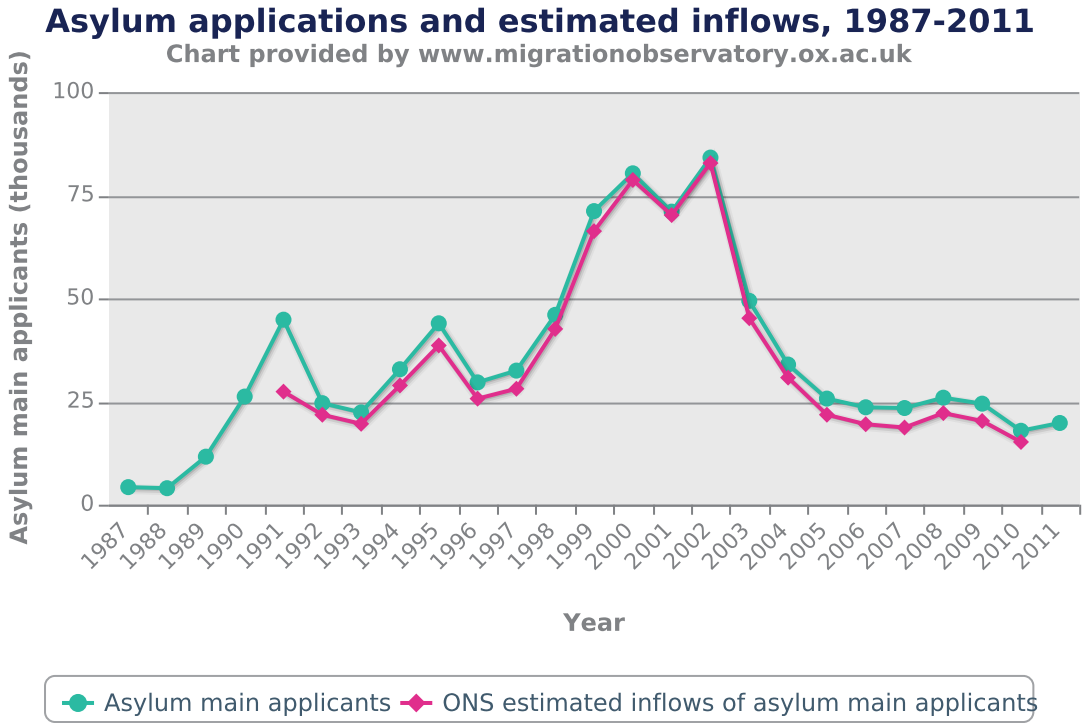
Because family migration already involves mainly partners and children, attempts to reduce it further may bring legal challenges based on European Convention on Human Rights, which protects a right to family life, and which may be used to challenge decisions not to allow migrants to be joined by their family. Indeed, the anticipated new policy raising the minimum income for family migrant sponsors is likely to face legal challenges.

Implications for stabilising the UK population at or under 70 million: reductions to non-EU family migration are less susceptible to the net migration bounce than student migration or labour migration as these migrants tend to stay in the UK. But as a tool to stabilise the population below 70 million it is both numerically small and subject to legal challenges based on both domestic and international discrimination and human rights laws.

4.4 Asylum

Asylum applications (excluding dependents) in the UK rose from 4,256 in 1987 to a peak of 84,130 in 2002, and then declined to 19,804 in 2011 (see Figure 8).

Figure 8



Source : Office of National Statistics. Long-Term International Migration (LTIM). Home Office

Asylum applicants and their dependents comprised the smallest of the main categories of immigration into the UK - an estimated 4% of net migration in 2010, down from 49% in 2002. The impact of asylum on net migration in the UK critically depends on the global number, scale, and location of the crises that dislocate people and produce international refugees. For example, asylum applications in Britain by people from the former Yugoslavia, and more recently from Somalia and Iraq, rose as conflicts in those countries reached their peaks, and then fell off as these conflicts waned in intensity. Previously, asylum flows were larger in number, and have contributed to population growth both through grants of leave to remain and through discretionary settlement grants given to clear the asylum backlog between 2006 and 2010 (see our briefing Settlement in the UK).

The UK government adheres to UN and European conventions on refugees and human rights that protect a right to claim asylum on certain grounds, and ensure that asylum applicants cannot be returned to a place where they are

likely to face persecution. Although this commitment constitutes a fundamental constraint on government policy in this area, the government has over the years implemented a range of policies affecting the number of people claiming asylum in the UK. For example, at the time of the spikes in asylum claims during the late 1990s and early 2000s, a series of polices were put in place to try to deter asylum claims. These included limits on asylum seekers' access to benefits and to the labour market, limits on rights of appeal, housing dispersal policies, and increased monitoring and enforcement.

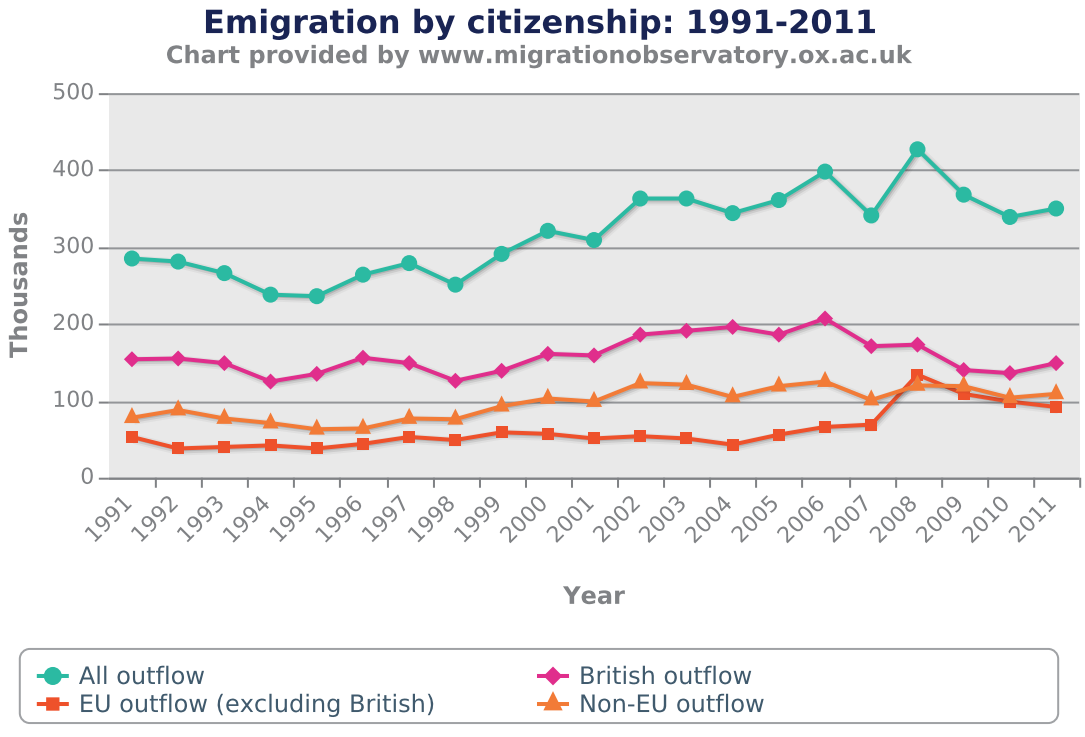
It is possible that these measures have had some effects on the number of people claiming asylum in the UK, as asylum claims in the UK per capita have fallen not only in absolute numbers but also in comparison with other European countries. From 2010 through March 2012, the UK has been receiving fewer asylum applicants per capita than the European average. In 2011, the UK received 0.41 asylum applications per 1000 inhabitants, compared to 0.56 across EU-27 countries. (source: Home Office Immigration Statistics,Table as.07) http://www.homeoffice.gov.uk/publications/science-research-statistics/research-statistics/immigration-asylum-research/immigration-tabs-q1-2012/asylum3-q1-2012-tabs)

Implications for stabilising the UK population at or under 70 million: because of the underlying commitment to international agreements on the protection of refugees, and the crucial role of international crises in determining the number of people seeking asylum in the UK and elsewhere, changes to asylum policy are not a feasible means of managing population size. Moreover, asylum applicants have comprised a very small share of in-flows and net migration since 2004.

4.5 Emigration of non-EU nationals

Annual emigration from the UK was 350,000 in 2011. About 31% of those leaving the UK in 2011 were non-EU citizens (109,000). This number has remained relatively stable at about 115,000 for the last decade. This contrasts with emigration by EU citizens who had been living in the UK, which has increased during the last decade from 54,000 in 2002 to 92,000 in 2011 (Figure 9).

Figure 9



Source : Office for National Statistics. 2011 value still preliminary

In order to encourage emigration – and thus reduce net migration – the government has imposed additional restrictions on the long-term settlement of some types of non-EU migrants. Workers (and their dependents) coming to the UK through Tier 2 since April 2011 are now expected to meet a salary threshold of £35,000 in order to be considered for settlement in the UK. While there are multiple exceptions to this rule, the Home Office impact assessment (published on the 15 of March 2012) suggests that the impact on net migration will be a reduction in annual net migration that may range anywhere from 0 to 4,000 from 2017 onwards. This suggests that, while clearly having some effects on net migration and population growth in the long run, this policy is unlikely to play a significant role in helping the government to achieve a net migration target of 100,000 or less by 2015.

For students, in April 2012 the government closed the Post-Study Work visa route, which had allowed students graduating from a UK university to stay in the UK for up to two years on completion of their course - with unrestricted access to the labour market. While in the year to March 2012 the Post-Study Work visa allowed 6,958 students to remain in the UK, the impact of its closure on net migration is mitigated by the fact that those graduating from a UK university with a recognised degree are now able to switch into Tier 2 upon getting a job offer (with a minimum annual salary above £20,000). These new Tier 2 visas do not fall on the Tier 2 cap discussed above and a Resident Labour Market Test is not required.

Implications for stabilising the UK population at or under 70 million: encouraging an increase in non-EU emigration would help to reduce overall net migration, but the government's impact assessment suggests that the overall impact of current policy will deliver a comparatively small impact on net migration starting in 2017

4.6 Summary of estimated effects of policy changes on net migration

The Home Office impact assessments of the policies announced by the government to reduce net migration provide some indication of the potential impact of these policies. It is important to emphasise, as the Home Office does in the impact assessments, that there is significant uncertainty surrounding these estimates. Some elements of net migration are outside of direct policy control, notably EU immigration and emigration or return migration of British and EU nationals. In addition, projections of future outcomes are inherently complex and necessarily rest on assumptions. Nevertheless, the impact assessments are important as they provide official government analyses of the effects of the recent policy changes.

The estimated impacts of the government policies on net migration are summarised in Table 1. The numerical limit on Tier 1 and Tier 2 migrants in addition to the drastic changes to the Tier 1 program (i.e. change to work route) are expected to decrease annual net migration by about 9,000 to 11,000 during each of the next 4 years. The changes to Tier 4 and the Post-Study Work Route (i.e. changes to the student route) are expected to decrease net migration by 38,000 in 2012 and then by between 56,000 and 61,000 during the following three years. The changes to the settlement of Tier 2 migrants will have little to no impact until 2015 as these changes apply to those applying for settlement in the UK from April 2016 onwards. The changes to family migration rules are expected to reduce net migration by 9,000 (central estimate) per year.

Table 1 – Home Office impact assessments of reductions in net migration from government policy changes

	2012	2013	2014	2015
Tier 1 and Tier 2 numerical limits and other program changes	9,000	10,000	10,000	11,000
Tier 4 and Post-Study program changes	38,000	61,000	61,000	56,000
Changes to family migration rules		9,000	9,000	9,000

Note: The estimates are taken from the Home Office's impact assessments of recent policy changes: see Home Office 2011a, 2011b, and 2012b.

5 British and other EU migration

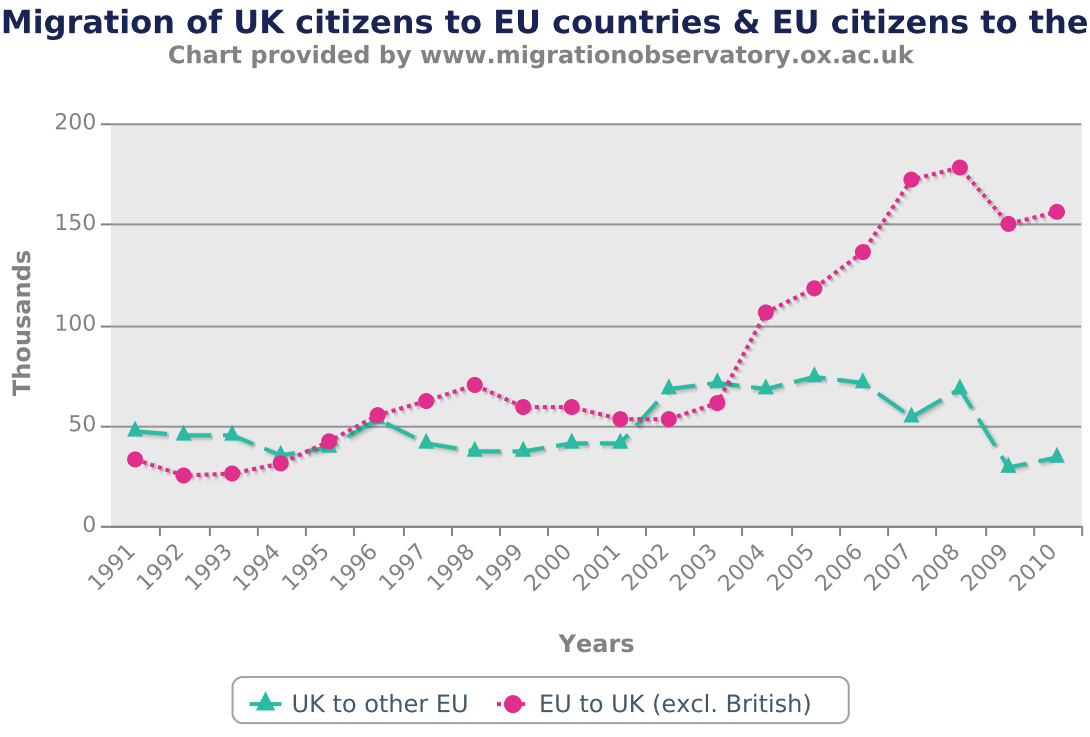
A notable limitation that the UK faces in reducing immigration is that it cannot restrict the immigration of other EU nationals. As a member of the EU, Britain has agreed to a legally binding directive allowing freedom of movement and residence for citizens of EU states – this means that British people have the right to live and work elsewhere in the EU, and that over 400 million EU citizens have the right to live and work in the UK (with the exception of Romanians and Bulgarians who are free to move to the UK but whose access to the labour market remains restricted until the end of 2013).

5.1 Free movement migration within the EU

Figure 10 below uses data from the International Passenger Survey (IPS) to show the migration flows of EU citizens (excluding British citizens) to the UK, and of UK citizens from Britain to other EU countries. In the absence of the right to free movement, these migration flows would be restricted by immigration controls in the UK and other EU countries.

Figure 10 Illustrates that during the 1990s and early 2000s the number of EU citizens – excluding British – coming to the UK was broadly similar to the number of UK citizens moving to other EU countries. However, this changed in 2004 when eight East European countries – the so-called A8 countries – joined the EU. Since 2004 considerably more EU migrants have arrived in Britain annually than British citizens have moved from Britain to the (enlarged) EU. In 2010, 156,000 EU migrants came to the UK, while 34,000 UK citizens emigrated to other countries in the EU – indicating that a balance of 122,000 more EU migrants came to the UK than UK citizens emigrated to take up residence elsewhere in the EU.

Figure 10



Source: Office for National Statistics, IPS estimates

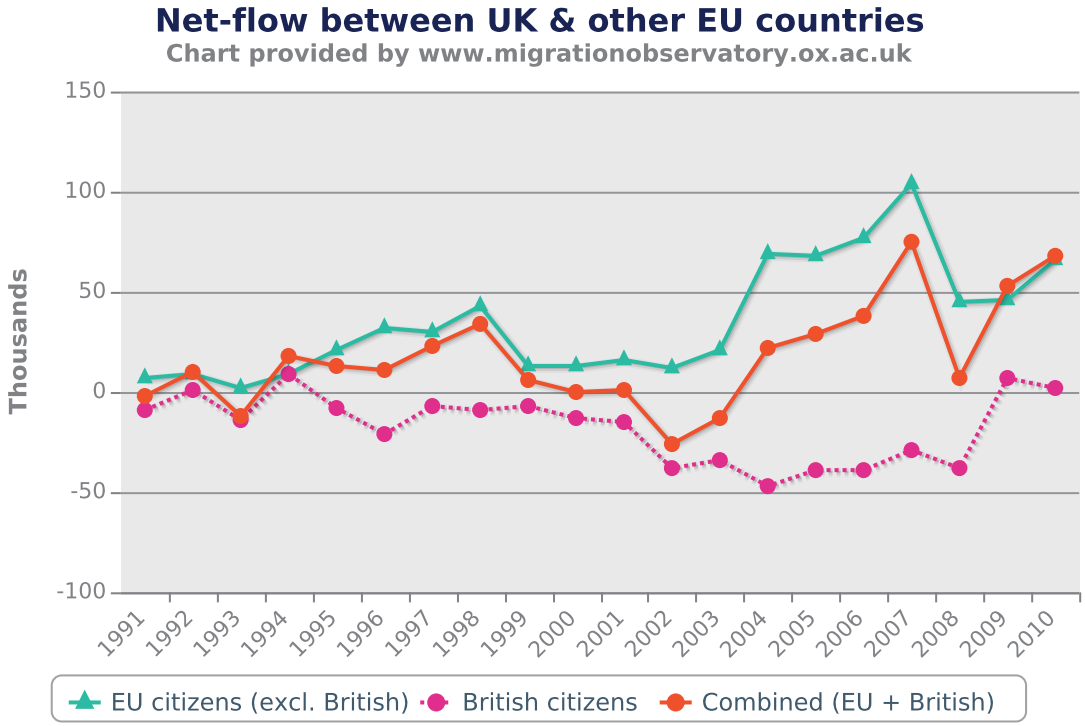
While Figure 10 provides an interesting insight, it shows only part of the migration picture as it does not deal with EU citizens leaving the UK to return to their home countries or other EU states, or the return of UK citizens from

other EU countries to the UK. So Figure 1 does not tell us about net migration of EU citizens between the UK and other EU countries.

Figure 11 gives a clearer picture of the impact of EU freedom of movement on overall net migration in the UK. It looks at the net-flows of British and other EU citizens between Britain and other EU countries. This means that it measures three things:

- The balance between the number of British citizens who leave the UK to take up residence in another EU country, and the number who return to the UK after having been resident in another EU country (the pink line)
- The balance between the number of (non-British) EU citizens who arrive in the UK to take up residence and the number who leave the UK for another EU country, after having been resident here (the green line)
- The balance between these two numbers (the red line).

Figure 11



Source: Office for National Statistics, IPS estimates

Three particularly striking points from this graph are, firstly, that between 2002-2007 the combined net migration of British and EU citizens to the UK increased by more than 100,000, from -26,000 to +75,000; secondly, that between 2007-2008 net EU migration to the UK dropped dramatically (widely attributed to the financial crisis); and thirdly, that in 2009 and 2010 – for the first time since 1994 – more British citizens returned to the UK from other EU countries than left to move to other EU states.

In 2010, net migration of EU citizens between the UK and other EU countries accounted for a little over a quarter of overall net migration to the UK. During the period 2004-2010, total net migration of EU citizens between the UK and other EU countries was about +298,000 (again equivalent to about a quarter of total net migration in the UK over this period).

5.2 Reducing the demand for EU migrant workers

While the government cannot directly restrict the immigration or length of stay of EU nationals, the government could take steps to reduce the demand for migrant workers from within and outside the EU (for a detailed discussion, see our policy primer, Responding to Employers: Labour Shortages and Immigration Policy www.migrationobservatory.ox.ac.uk/policy-primers/responding-employers-labour-shortages-and-immigration-policy).

Employers' incentives and business and recruitment strategies are critically influenced, and in many ways constrained, by the wider institutional and regulatory framework that is created by public policies. Public policies have often incentivised employers in some sectors and occupations to respond to shortages through the employment of migrant workers. The UK has long emphasised labour market flexibility and relatively low levels of labour regulation. Together with a range of policies from training to housing, this stance has contributed to creating a growing demand for migrant workers.

For example, in the construction sector the difficulty of finding suitably skilled British workers is critically related to low levels of labour market regulation and the absence of a comprehensive vocational education and training system (Chan, Clarke and Dainty 2010). Social care is another sector where public policies have created and increasing demand for migrant workers (Moriarty 2010; Cangiano et al. 2009). Two thirds of care assistants in London are migrants. The shortages of social care workers and care assistants are largely due to low wages and poor working conditions. Most social care in the UK is publically funded, but actually provided by the private sector and voluntary organisations. Constraints in local authority budgets have contributed to chronic underinvestment. Together with the structure of the care sector itself, this approach has resulted in a growing demand for low-waged, flexible workers which, in turn, has led to a growing demand for migrant labour.

The implication is that labour immigration from the EU could be reduced by changes to the public policies and institutions that have contributed to a growing demand for migrant labour. These policy changes include, for example, more and better training of British workers (e.g. in sectors like construction where the lack of a comprehensive training system fuels the demand for experienced East European migrant labour), changes in welfare policies to encourage more British workers to join the workforce (something the government has already begun to do), and better wages and conditions in some low waged public sector jobs.

In the short- to medium term, these changes are unlikely because of the economic downturn and budget cuts - which may well, in fact, increase demand for migrants in low-waged sectors such as social care. But the fundamental point remains that the government might be able to reduce the demand for migrant labour through a range of labour market policies.

Implications for stabilising the UK population at or under 70 million: EU immigration creates a complication for any government committing to stabilising the UK population at any size - the freedom of EU citizens to come to migrate to the UK makes it essentially impossible to say with any certainty that the population of the UK will be maintained at any specific size. While the government cannot directly control the inflow of EU migrants, it can implement a range of policies that help reduce the demand for EU migrant workers in the UK

6 Public opinion

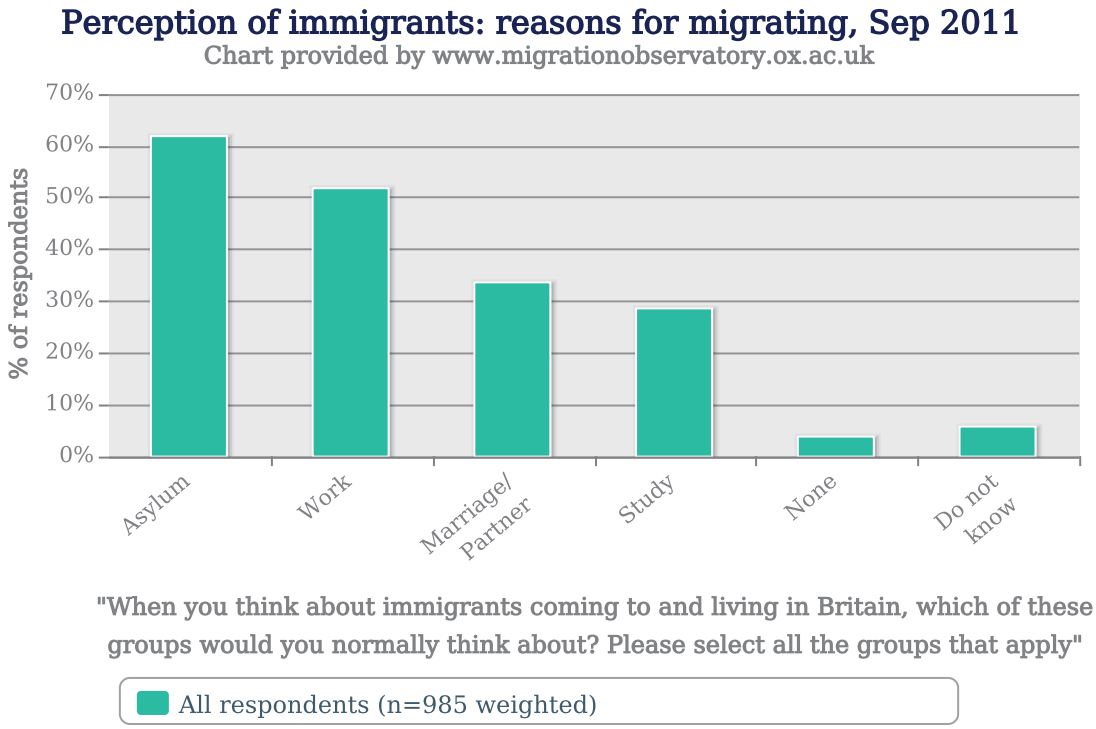
Public opinion is often cited as a major reason for reducing migration. Government impact assessments of policies list impact on public attitudes or 'confidence' among the benefits of new restrictions on immigration and as a cost of the 'do nothing' option. There is no doubt that a large majority of the public support the idea of reducing immigration as a general proposition. A large majority also view the rate of population growth as too high, and support immigration controls as the preferred means of slowing population growth. In a 2010 YouGov/Sun

poll, 75% said that the population is growing too fast (given ONS projections of reaching 70 million by 2029). When asked which options were acceptable ways of slowing population growth, 80% or more chose each of the immigration-related options (a 'cap' on immigration and deporting more illegal immigrants), while only 34% found it acceptable to encourage people to have fewer children and 10% wanted to encourage people to emigrate from Britain. Broadly speaking, then, clear majorities think the population is growing too fast, and tend to link the issue to immigration, not fertility or emigration.

Nonetheless, public opinion on immigration presents a more complicated challenge than it might appear. When asked about various subsets of migrants, public attitudes are less uniform. Public preferences for reducing immigration tend to focus on numerically smaller groups, and on groups where policy-makers face greater legal constraints. Larger groups and more easily controlled groups of migrants are generally the same groups that are more likely to be tolerated by majorities of the public.

In 2011, The Migration Observatory asked a representative sample of the British population to choose which groups they normally think about when thinking about immigrants coming to Britain (see Figure 12). Asylum seekers were the most common choice, and students were the least chosen. But in the statistics used to estimate immigration and net migration to the UK, this is precisely the reverse: students are the most numerous group, and asylum the least.

Figure 12



Source : Migration Observatory, Thinking Behind the Numbers, Appendix A, table 4

Moreover, preferences for reductions to immigration vary in similarly challenging ways (see Figure 13). Students, high-skilled workers, and immediate family members appear to be the most popular groups of immigrants, with no more than 41% wishing to reduce the numbers of any of these groups. Asylum seekers, extended family members, and low-skilled workers were the least popular, with majorities wishing to admit fewer immigrants in each of these groups.

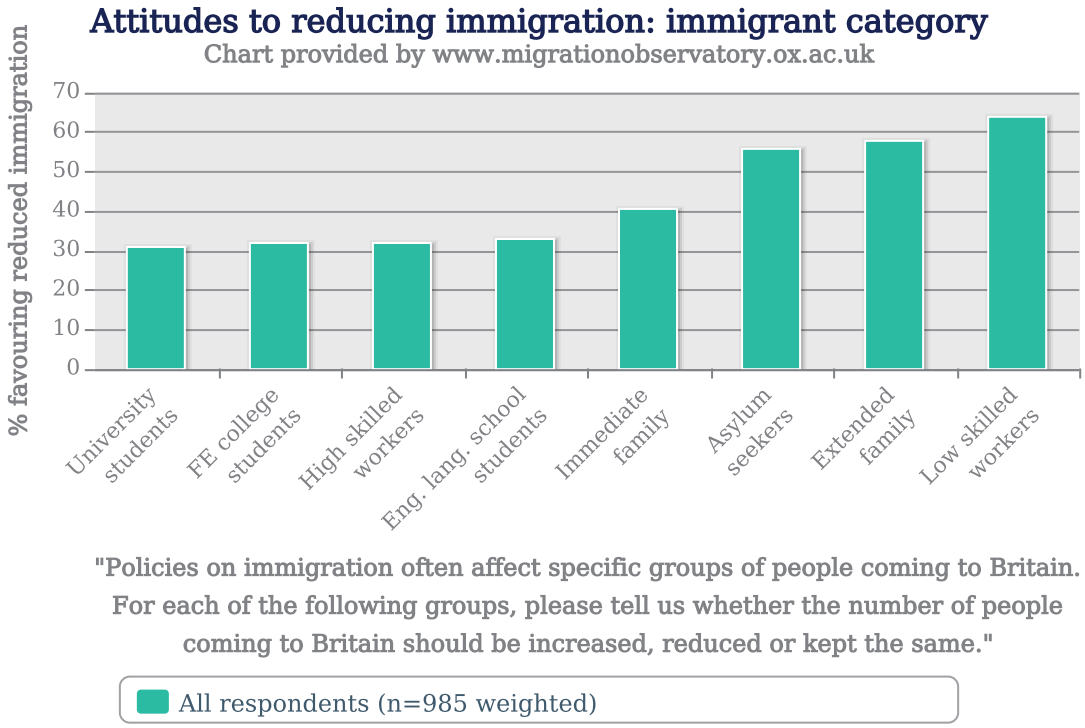
It is striking that the least popular groups tend to be numerically small and/or protected by constraints on policy. In contrast with the situation in the late 1990s and early 2000s, asylum seekers represent less than 5% of annual

immigration according to 2010 ONS estimates. Extended family members make up about 6% of family immigrants who settle in the UK (see our briefing on 'Settlement in the UK'). Policies toward such groups may be very responsive to public opinion without having great impact on overall immigration or population levels.

Low-skilled labour immigrants may be more numerous, but they are effectively all coming from within the EU. (Tier 3 in the Points-Based System (PBS), intended for admitting low-skilled workers from outside the EU, has been closed since the PBS began. In addition, shortage occupation lists for admitting non-EU workers have been tightened, and skill requirements raised.) The government cannot exert direct control over numbers of immigrants from within the EU although, as discussed in the previous section, it may be able to implement labour market and social policies that indirectly affect the number of EU labour migrants coming to Britain.

Regarding asylum, Britain (like most countries) has signed international conventions on the treatment of refugees and cannot turn away those seeking asylum without first determining the validity of their claim. Thus, asylum is not only a numerically small group in current in-flows, but also a difficult area to regulate numbers.

Figure 13



Source : Migration Observatory, Thinking Behind the Numbers, Appendix A, tables 8 and 9

Implications for stabilising the UK population at or under 70 million: Public opinion, of course, does not have a direct impact on population size, but it is important to consider that much of the political response to immigration and population growth is driven by high levels of public concern. A major challenge, however, is that public concern about immigration – while high – do not always appear to be focussed on the numerically largest groups or the groups over which the government has more control.

7 Implications for stabilising the UK population at or under 70 million

The 'Say no to 70 million' campaign raises an important issue, the impact of migration on population growth, that deserves transparent analysis and open and reasoned debate. Rapid increases in immigration over the past 15 years have had profound effects on the UK's population, in terms of both its size and composition. With migration

accounting for two thirds of projected population growth over the next 25 years, it is important to analyse the multifaceted consequences of these demographic developments.

This report has provided basic facts and analysis for debating migration and population growth in general, and the desirability and feasibility of managing immigration to achieve a population limit of 70 million in particular. While we do not take a position on the desirability of pursuing such a policy, our analysis suggests a number of key points to consider in this debate.

7.1 The cuts to net migration required to stabilise the population at 70 million far exceed the reductions necessary to reach the governments 'tens of thousands' target

It is important to be clear that a goal of stabilising the population at 70 million or less would require reductions to net migration that far exceed those required to reach the government's target of the 'tens of thousands'. The available projections suggest that reducing net migration to 100,000 would keep the population just under 70 million by 2035 but the population would surpass 70 million in subsequent years. There are no official projections that provide the level of net migration required to keep the population from ever exceeding 70 million but it is clear from the available projections that it would have to be considerably less than 100,000. MigrationWatch has provided an estimate of 40,000. If we provisionally accept this figure - which is necessarily based on a large set of assumptions extending many years into the future - it would imply reducing net migration by over 75% of its current level (216,000 +/- 35,000 in 2011).

7.2 On their own, recent migration policy changes are not expected to keep the population under 70 million

Predictions of future migration and assessments of the impact of specific policy changes on migration flows are always accompanied by considerable uncertainty. However, based on the best data and information available, current government policy is extremely unlikely to stabilise the population at or below 70 million. The governments' own impact assessments suggest that the policy changes implemented over the past two years would reduce net migration by at most half of the reduction required to meet the government's target by 2015, and considerably less than the reductions in net-emigration required to keep the population under 70 million by 2035.

7.3 Given the extensive further policy changes required, the 70 million debate needs to ask how exactly the required cuts can be achieved in practice

Over the past two years, the government has already implemented a series of restrictive immigration policy changes affecting migrant workers, family and students. Given that significant further cuts to net migration would be required to stabilise the population at 70 million, it is important to ask what specific further policy changes could deliver these reductions. To be realistic, the debate needs to consider not only the top-line objective but also the feasibility and desirability of the available means to further reduce net migration. Public opinion data show general support for the goal, but also a dilemma for the government: while there is broad support for reducing immigration to limit population growth, there no majority support for reducing student immigration, the category that has contributed most to recent increases in immigration levels.

7.4 Any limit needs to be clear about its underlying objectives and evidence

Any identification of a particular limit is necessarily value-based because it has to be based on a weighing up of different types of impacts and interests at national regional and local level, and at different points in time. Migration and population growth can create a wide range of economic, social environmental and other costs and benefits

for individuals, communities and the country as a whole. A UK population policy that is focussed, for example, on maximising economic growth may look very different from one focussed on minimising impacts on the environment. Different people will disagree about what these underlying objectives should be, so it is important to be clear in public debate. Much of the disagreement in migration and population debates comes from disagreement about policy objectives in addition to disagreements about the impacts of rising migration and population growth. Therefore it is important for the debate to explicitly ask what these objectives should be and why.

A related point is that any specific limit, if we are to prefer it over any other number, needs to be supported by evidence showing both the impacts of population change and the advantages of one particular limit over others. So far, the proposed limit of 70 million appears arbitrary in the sense that there has been no explanation justifying this particular number. Why it is preferable to limit the UK population at 70 million rather than at 65 or 75, for example? This is not an argument against having a limit, of course, but a call to be clear about the evidence and analysis leading to this particular number over any alternative.

7.5 Migration and population debates need to consider wider trade-offs from increasing or reducing migration

A clear danger in the way the 70 million debate has been framed so far is that it reduces a complex series of issues affecting almost every area of social and economic policy in the UK to an arbitrary round number. While calls for a population limit at 70 million clearly appeal to voters' concerns and deserve to be openly debated, they run the risk of ignoring the substantial trade-offs that it would bring. This is not to say that a population policy is wrong per se, but that any type and level of population limit needs to be debated in terms of the feasibility and range of trade-offs involved in reducing net migration.

Migration obviously generates a wide set of effects that go beyond demography, including a range of economic and social benefits and costs. Any change in migration - whether it is an increase, reduction, or 'no change' – will inevitably lead to important trade-offs, and these need to be openly debated.

While reducing some types of migration may create net-benefits, reductions in other areas may create costs. In addition to being clear about policy constraints, the debate about 'all necessary steps' to stabilise the population also needs to consider the likely consequences and trade-offs arising from reducing particular types of immigration.

There are various potential trade-offs from reducing migration. For example, reducing the number of non-EU students coming to study at British universities would clearly have financial implications for British universities. While estimates of the value of the non-EU student market to British universities vary widely, there is no doubt that many universities rely on the fees paid by non-EU students. It is possible that a declining non-EU student body in the UK may reduce opportunities or increase costs for domestic and other EU students. More research is needed in this area.

To give another example, reducing the UK economy's reliance on migrant workers will require more investment in training and, in some sectors, higher wages to attract more British workers to do the jobs. For example, migrant labour is very common in the social care sector, including care for the elderly. Increasing the share of British workers in this sector – which is mostly privately provided but publically funded - will almost certainly require increases in pay which will raise the cost to the government – and therefore the taxpayer – of service provision.

In addition to creating economic costs in some cases, policies aimed at reducing net migration may also create conflicts with other policy areas. For example, encouraging emigration by making migration more temporary raises questions about whether (or how) the UK wants migrants to integrate or not. Migrants' behaviour in and outside the labour market, and their incentives to invest time into activities that will help them integrate in the host society,

can be expected to critically depend on the migrants' expected length of stay in the country. While restricting settlement will reduce net migration, it also raises important questions about the implications for integration policy.

Other trade-offs that need to be considered, given the extent of the cuts to net migration needed to sustain a 70 million population level, could include the implications of abandoning or renegotiating the UK's membership of bodies such as the EU or its adherence to international conventions such as the 1951 UN Refugee Convention.

These are just examples of potential trade-offs. The existence of these trade-offs does not, of course, mean that reducing migration is the wrong course of action for government. But any evidence-based proposal to reduce (or increase) migration in order to introduce a numerical limit to the population would have to identify and openly debate the trade-offs involved.

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Appendix: Related material from the Migration Observatory

Section 1 Introduction

- Briefing - Migrants in the UK: An Overview. http://www.migrationobservatory.ox.ac.uk/briefings/migrants-uk-overview
- Commetary - Population: How big is too big. http://www.migrationobservatory.ox.ac.uk/commentary/population-how-big-too-big

Section 2 Migration and population growth

- Briefing - The Impact of Migrants on UK Population Growth. http://www.migrationobservatory.ox.ac.uk/briefings/impact-migration-uk-population-growth
- Policy primer - Demographic Objectives in Policy-Making. http://www.migrationobservatory.ox.ac.uk/policy-primers/demographic-objectives-migration-policy-making

Section 3 Net migration and immigration: An overview

- Briefing - Long-Term International Migration Flows to and from the UK. http://www.migrationobservatory.ox.ac.uk/briefings/long-term-international-migration-flows-and-uk
- Commentary - The net migration bounce. http://www.migrationobservatory.ox.ac.uk/commentary/net migration-bounce
- Briefing - Immigration by Category – Workers, Students, Family Members and Asylum Applicants. http://www.migrationobservatory.ox.ac.uk/briefings/immigration-category-workers-students-family-members-asylum-applicants

Section 4 Migration of non-EU nationals

- Briefing - Non-European Student Migration to the UK. http://www.migrationobservatory.ox.ac.uk/briefings/non-european-student-migration-uk
- Commentary - International students: A+ or D- for the UK? http://www.migrationobservatory.ox.ac.uk/commentary/international-students-or-d-uk
- Briefing - Migrants in the UK Labour Market: An Overview. http://www.migrationobservatory.ox.ac.uk/briefings/migrants-uk-labour-market-overview
- Briefing - Non-European Labour Migration to the UK. http://www.migrationobservatory.ox.ac.uk/briefings/non-european-labour-migration-uk
- Briefing -Settlement in the UK. http://www.migrationobservatory.ox.ac.uk/briefings/settlement-uk
- Briefing - Non-European Migration to the UK: Family Unification & Dependents. http://www.migrationobservatory.ox.ac.uk/briefings/non-european-migration-uk-family-unification-dependents
- Policy primer - Asylum Policy. http://www.migrationobservatory.ox.ac.uk/policy-primers/asylum-policy

- Briefing - Migration to the UK: Asylum. http://www.migrationobservatory.ox.ac.uk/briefings/migration-uk-asylum
- Report - The top ten problems in UK migration information. http://www.migrationobservatory.ox.ac.uk/top-ten-report
- Commentary - Off Target: Government policies are not on track to reducing net migration to the tens of thousands by 2015. http://www.migrationobservatory.ox.ac.uk/commentary/target-government-policies-are-not-track-reducing-net migration-tens-thousands-2015

Section 5 British and other EU Migration

- Commentary - The EU shuffle: How does freedom of movement in the EU affect migration to and from the UK? http://www.migrationobservatory.ox.ac.uk/commentary/eu-shuffle-how-does-freedom-movement-eu-affect-migration-and-uk
- Commentary - Targeting uncertainty? EU migration in the UK. http://www.migrationobservatory.ox.ac.uk/commentary/targeting-uncertainty-eu-migration-uk
- Briefing - Migration Flows of A8 and other EU Migrants to and from the UK. http://www.migrationobservatory.ox.ac.uk/briefings/migration-flows-a8-and-other-eu-migrants-and-uk
- Policy primer - Responding to Employers: Labour Shortages and Immigration Policy. http://www.migrationobservatory.ox.ac.uk/policy-primers/responding-employers-labour-shortages-and-immigration-policy

Section 6 Public opinion

- Report - Understanding Public Opinion on Immigration in Britain. http://www.migrationobservatory.ox.ac.uk/understanding-uk-public-opinion/executive-summary
- Briefing - UK Public Opinion toward Immigration: Overall Attitudes and Level of Concern. http://www.migrationobservatory.ox.ac.uk/briefings/uk-public-opinion-toward-immigration-overall-attitudes-and-level-concern

The Migration Observatory

Based at the Centre on Migration, Policy and Society (COMPAS) at the University of Oxford, the Migration Observatory provides independent, authoritative, evidence-based analysis of data on migration and migrants in the UK, to inform media, public and policy debates, and to generate high quality research on international migration and public policy issues. The Observatory's analysis involves experts from a wide range of disciplines and departments at the University of Oxford.

COMPAS

The Migration Observatory is based at the ESRC Centre on Migration, Policy and Society (COMPAS) at the University of Oxford. The mission of COMPAS is to conduct high quality research in order to develop theory and knowledge, inform policy-making and public debate, and engage users of research within the field of migration.
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